

November 3, 1992

Questions have arisen regarding the accounting and distribution of tips or gratuities for casino employees in *non-supervisory positions*.

Colorado Revised Statutes, section 12-47.1-820 reads in pertinent part as follows:

All such tips or gratuities shall be immediately deposited in a lockbox reserved for that purpose, accounted for, and placed in a pool for distribution based upon criteria established in advance by the licensed retailer.

The Division of Gaming interprets this to mean that all tips must be *pooled* and *accounted* for. Distribution of these tips is at the *discretion* of the retail license holder.

For example:

- Distribution based on hours employee worked,
- Distribution based on actual tips received,
- Distribution based on number of employees per shift, etc.

Remember, any distribution plan must be established *prior* to its implementation.